



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: Commission

DATE: January 28, 2015

FR: Executive Director

W. I.: 1515

RE: Cap and Trade: Low Carbon Transit Operations Program: FY 2014-15 Population-Based Funds Distribution Framework

At its meeting on January 14, 2015, the Programming and Allocations Committee referred MTC Resolution No. 4170, to the Commission for approval. Staff noted that due to the Cap and Trade Low Carbon Transit Operations Program accelerated allocation request schedule established by Caltrans and requests submitted by eligible transit agencies, projects may be added to this resolution for Commission consideration. Staff has added projects to Attachment A of the resolution, based on requests from eligible agencies. Additionally, the resolution has been revised to include several clauses that establish the administrative procedures required by Caltrans to approve projects. The proposed changes are highlighted in the attached resolution.



Steve Heminger

**Metropolitan Transportation Commission
Programming and Allocations Committee**

January 14, 2015

MTC Resolution No. 4170

Subject: Cap and Trade – Low Carbon Transit Operations Program: FY2014-15
Population-Based Funds Distribution Framework

Background: Senate Bill 852 (Statutes of 2014) appropriates \$25 million for the Low Carbon Transit Operations Program (LCTOP) from the Greenhouse Gas Reduction Fund pursuant to the distribution formula in sections 99313 and 99314 of the Public Utilities Code. Roughly \$6.8 million is available directly to transit operators in the region based on the revenue-based formula. An additional \$2.4 million is available to the region based on the population-based formula.

Staff recommends assigning the funds to transit operators based on the formula distribution in Attachment A, consistent with the Commission's December 2013 adoption of the Cap and Trade/Core Capacity framework (MTC Resolution Nos. 4123 and 4130) for the roughly \$3.1 billion estimated over the Plan Bay Area twenty-five year timeframe. Specifically, the programming of \$9.1 million in FY2014-15 LCTOP funds supports the Cap and Trade framework's \$500 million transit operating and efficiency commitment, summarized in Attachment B. This approach applies both to the revenue- and population-based funding toward meeting the \$500 million commitment and adjusts the population-based shares so that operators with less revenue-based funding can still achieve their share of the \$500 million in the long-term. Staff recommends a review of the distribution framework after the FY2014-15 programming round that considers actual revenue from initial Cap and Trade auctions; additional guidelines and direction from the state agencies, and further stakeholder outreach.

The Low Carbon Transit Operations Program (LCTOP) is one of the Cap and Trade funding programs established by the California Legislature in 2014. The LCTOP was created to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. LCTOP is a formulaic program, rather than a competitive program, with similar guidelines to the 2008 Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA).

Caltrans published program guidelines on December 19th. According to the guidelines, approved projects in LCTOP will support new or expanded bus or rail services, expand intermodal transit facilities, and may include equipment acquisition, fueling, maintenance and other costs to operate those services or facilities, with each project reducing greenhouse gas

emissions. For agencies whose service area includes disadvantaged communities (as defined by CalEPA), at least 50 percent of total funds received shall be expended on projects that will benefit disadvantaged communities. Staff will be working with agencies receiving population-based funds to ensure that their project proposals strongly emphasize service that provides benefits to a disadvantaged community, in order to meet the 50% requirement.

Initial allocation requests are due to Caltrans by February 2, 2015. Because of the compressed program timeframe, staff is bringing the distribution framework to the Programming and Allocations Committee, and is requesting project submittals from eligible transit operators in order that the Commission can consider approving allocation requests, based on the distribution formula in Attachment A and submittals from eligible agencies, at its January 28th meeting. Staff will update Attachment A to Resolution 4170 for the January Commission meeting based on eligible agency submittals. Eligible agencies may also elect to hold funds in reserve until the next programming opportunity in spring 2015.

Additionally, staff proposes that the Commission authorize the Executive Director to approve allocation requests or revise existing allocation requests consistent with the distribution framework up to \$1 million per project.

Issues: None

Recommendation: Refer MTC Resolution No. 4170 to the Commission for approval.

Attachment: Attachment A – Proposed Distribution Summary
Attachment B – Summary of Bay Area Cap and Trade Revenue Operating Commitment
MTC Resolution No. 4170

Attachment A

FY 2014-15 Low Carbon Transit Operations Program-Draft Distribution

Based on State Controller's Office Allocation Summary of 11/26/2014

	FY 2014-15 LCTOP Revenue-Based Funding	FY 2014-15 LCTOP Population-Based Funding Distributed Per Commitments of MTC Resolutions 4123/4130	Total FY 2014-15 LCTOP Funding
State Total	\$ 12,492,823	\$ 12,492,823	\$ 24,985,646
MTC Region Funds	\$ 6,757,934	\$ 2,417,898	\$ 9,175,832
ACCMA - Corresponding to ACE	\$ 14,627	\$ -	\$ 14,627
Caltrain	\$ 359,551	\$ -	\$ 359,551
CCCTA	\$ 40,496	\$ 145,385	\$ 185,881
City of Dixon	\$ 321	\$ -	\$ 321
ECCTA	\$ 18,563	\$ 160,083	\$ 178,646
City of Fairfield	\$ 7,273	\$ 55,154	\$ 62,427
GGBHTD	\$ 306,703	\$ -	\$ 306,703
City of Healdsburg	\$ 46	\$ -	\$ 46
LAVTA	\$ 17,246	\$ 89,946	\$ 107,192
NCPTA	\$ 3,049	\$ 58,640	\$ 61,689
City of Petaluma	\$ 1,726	\$ -	\$ 1,726
City of Rio Vista	\$ 188	\$ -	\$ 188
SamTrans	\$ 262,296	\$ 313,475	\$ 575,771
City of Santa Rosa	\$ 9,162	\$ 236,713	\$ 245,875
Solano County Transit	\$ 18,968	\$ 67,421	\$ 86,389
Sonoma County Transit	\$ 10,578	\$ 82,490	\$ 93,068
City of Union City	\$ 2,953	\$ 31,314	\$ 34,267
City of Vacaville*	\$ -	\$ 35,954	\$ 35,954
VTA	\$ 802,508	\$ 1,107,878	\$ 1,910,386
VTA - Corresponding to ACE	\$ 16,525	\$ -	\$ 16,525
WCCTA	\$ 20,803	\$ 33,444	\$ 54,247
WETA	\$ 83,055	\$ -	\$ 83,055
SUBTOTAL	\$ 1,996,637	\$ 2,417,898	\$ 4,414,535
AC Transit	\$ 573,227	\$ -	\$ 573,227
BART	\$ 1,596,049	\$ -	\$ 1,596,049
SFMTA	\$ 2,592,022	\$ -	\$ 2,592,022
SUBTOTAL	\$ 4,761,297	\$ -	\$ 4,761,297
TOTAL	\$ 6,757,934	\$ 2,417,898	\$ 9,175,832

* Vacaville does not receive STA revenue-based funds

Programming Allocations Committee
January 14, 2015

Attachment B

Potential Bay Area Cap and Trade Revenue vs. Regional Transit Operations Commitment, 25 years

In Millions \$

Assumes \$2.5 billion Annual Revenue Statewide

	A	B	C	D	E	F=D+E	G=B-D	H=C-E
	MTC Approved Framework (MTC Res. 4130)	Estimated Low Carbon Revenue- based funds	Estimated Low Carbon Population based funds	Low Carbon Revenue- based funds Applied to Framework	Low Carbon Population based funds Applied to Framework	Total Low Carbon Funds Applied to Framework	Estimated Remaining Low Carbon Revenue- based funds	Estimated Remaining Low Carbon Population based funds
Transit Operations Total	\$ 500	\$ 834.6	\$ 301.6	\$ 409.2	\$ 90.9	\$ 500	\$ 425.3	\$ 210.7
BART	\$ 54.0	\$ 216.2		\$ 54.0	\$ -	\$ 54.0	\$ 162.2	
SFMTA	\$ 111.0	\$ 289.9		\$ 111.0	\$ -	\$ 111.0	\$ 178.9	
AC Transit	\$ 35.0	\$ 76.0		\$ 35.0	\$ -	\$ 35.0	\$ 41.0	
Caltrain	\$ 35.0	\$ 44.0		\$ 35.0	\$ -	\$ 35.0	\$ 9.0	
Golden Gate (w/Marin Transit)	\$ 22.0	\$ 37.5		\$ 22.0	\$ -	\$ 22.0	\$ 15.5	
SamTrans	\$ 44.0	\$ 32.0		\$ 32.0	\$ 12.0	\$ 44.0	\$ -	
VTA	\$ 140.0	\$ 98.1		\$ 98.1	\$ 41.9	\$ 140.0	\$ -	
ACE	\$ 1.8	\$ 3.8		\$ 1.8	\$ -	\$ 1.8	\$ 2.0	
CCCTA	\$ 10.3	\$ 5.0		\$ 5.0	\$ 5.3	\$ 10.3	\$ -	
ECCTA	\$ 8.1	\$ 2.3		\$ 2.3	\$ 5.8	\$ 8.1	\$ -	
Fairfield + Suisun	\$ 2.9	\$ 0.9		\$ 0.9	\$ 2.0	\$ 2.9	\$ -	
LAVTA	\$ 5.4	\$ 2.1		\$ 2.1	\$ 3.3	\$ 5.4	\$ -	
NCTPA	\$ 2.5	\$ 0.4		\$ 0.4	\$ 2.1	\$ 2.5	\$ -	
Santa Rosa	\$ 9.7	\$ 1.1		\$ 1.1	\$ 8.6	\$ 9.7	\$ -	
SolTrans	\$ 4.8	\$ 1.7		\$ 1.7	\$ 3.1	\$ 4.8	\$ -	
Sonoma County	\$ 4.3	\$ 1.3		\$ 1.3	\$ 3.0	\$ 4.3	\$ -	
Union City	\$ 1.5	\$ 0.4		\$ 0.4	\$ 1.1	\$ 1.5	\$ -	
Vacaville*	\$ 1.3	\$ -		\$ -	\$ 1.3	\$ 1.3	\$ -	
WCCTA	\$ 3.8	\$ 2.5		\$ 2.5	\$ 1.3	\$ 3.8	\$ -	
WETA	\$ 2.7	\$ 19.3		\$ 2.7	\$ -	\$ 2.7	\$ 16.6	

Date: January 28, 2015
W.I.: 1515
Referred by: PAC

ABSTRACT

Resolution No. 4170

This resolution adopts the allocation requests for the Cap and Trade Low Carbon Transit Operations Program for the San Francisco Bay Area.

This resolution includes the following attachments:

Attachment A – Cap and Trade Low Carbon Transit Operations Program – Population- based Funds Project List

Further discussion of these actions is contained in the Programming and Allocations Summary Sheet dated January 14, 2015.

Date: January 28, 2015
W.I.: 1515
Referred by: PAC

RE: Cap and Trade Low Carbon Transit Operations Program

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4170

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.; and

WHEREAS, Plan Bay Area ("Plan"), the region's integrated long-range transportation and land use plan adopted by MTC, provides the planning foundation for transportation improvements and regional growth throughout the San Francisco Bay Area through 2040; and

WHEREAS, the Plan includes a \$3.1 billion reserve from future Cap and Trade funding; and

WHEREAS, the Plan identifies the expected uses of Cap and Trade funding as including but not limited to transit operating and capital rehabilitation/replacement, local streets and roads rehabilitation, goods movement, and transit-oriented affordable housing, consistent with the Plan's focused land use strategy; and

WHEREAS, the Plan states that Cap and Trade revenues will be allocated to specific programs through a transparent and inclusive regional public process; and

WHEREAS, the Plan calls for the process to ensure that at least 25 percent of the Cap and Trade revenues will be spent to benefit disadvantaged communities in the Bay Area; and

WHEREAS, Senate Bill 852 (Statutes 2014) establishes the Low Carbon Transit Operations Program (LCTOP) from the Greenhouse Gas Reduction Fund; and

WHEREAS, MTC is the recipient of the population-based funding in LCTOP funds pursuant to Public Utilities Code Section 99313 and 99314; and

WHEREAS, MTC has adopted Resolutions 4123 and 4130, a Programming Framework for the Cap and Trade funds and Transit Core Capacity Challenge Grant program; and

WHEREAS, staff has prepared a LCTOP population-based funding allocation request list, Attachment A, for submittal to Caltrans and based on the programming framework established in Resolutions 4123 and 4130, said attachment attached hereto and incorporated herein as though set forth at length; and

WHEREAS, MTC is an eligible project sponsor and may receive state funding from the LCTOP now or sometime in the future for transit projects; and

WHEREAS, the statutes related to state-funded transit projects require a local or regional implementing agency to abide by various regulations; and

WHEREAS, Senate Bill 862 (2014) named the Department of Transportation (Department) as the administrative agency for the LCTOP; and

WHEREAS, the Department has developed guidelines for the purpose of administering and distributing LCTOP funds to eligible project sponsors (local agencies); and

WHEREAS, MTC wishes to delegate authorization to execute these documents and any amendments thereto to the Executive Director; now, therefore, be it

RESOLVED, that MTC adopts LCTOP program of projects, attached hereto as Attachment A, and finds it consistent with the RTP; and, be it further

RESOLVED, that the Executive Director is authorized to make changes to Attachment A, including revisions to existing allocation requests up to \$1,000,000, and authorize new allocations up to \$1,000,000 to conform to sponsor requests; and Caltrans and State Controller's actions; and, be it further

RESOLVED, that MTC agrees to comply with all conditions and requirements set forth in the Certification and Assurances document and applicable statutes, regulations and guidelines for all LCTOP funded transit projects; and, be it further

RESOLVED, that the Executive Director be authorized to execute all required documents of the LCTOP program and any Amendments thereto with the California Department of Transportation; and, be it further

RESOLVED, that the Executive Director shall forward a copy of this resolution, and such other information as may be required to Caltrans and to such other agencies as may be appropriate.

METROPOLITAN TRANSPORTATION COMMISSION

Amy Rein Worth, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in Oakland, California, on January 28, 2015.

FY 2014-15 Low Carbon Transit Operations Program Requests
Based on State Controller's Office Allocation Summary of 11/26/2014

Agency	Project	FY 2014-15 LCTOP Population-Based Funding
CCCTA	Martinez Shuttle	\$ 145,385
ECTA	Expanded Service - Route 201	\$ 160,083
City of Fairfield	TBD	\$ 55,154
LAVTA	TBD	\$ 89,946
NCPTA	VINE Limited Bus Service to San Francisco Ferry in Vallejo	\$ 58,640
SamTrans	TBD	\$ 313,475
City of Santa Rosa	TBD	\$ 236,713
Solano County Transit	Curtola Park and Ride Transit Hub Photovoltaic Panels	\$ 67,421
Sonoma County Transit	TBD	\$ 82,490
City of Union City	TBD	\$ 31,314
City of Vacaville	TBD	\$ 35,954
VTA	VTA Light Rail - North First Street Improvements and 1st/Tasman Modifications (Design Phase)	\$ 1,107,878
WCCTA	TBD	\$ 33,444
TOTAL		\$ 2,417,898

* MTC approval conditioned on local support documentation submitted to Caltrans